

From: Ostrand, Laurie

Sent: Wednesday, February 15, 2017 08:30 PM

To: christian.lesniak@state.co.us; bradley.eades@state.co.us

CC: North, Alexis; Wilwerding, Joseph; Law, Donald; Ostrand, Laurie

Subject: FW: Voluntary Compliance with NSPS OOOO for equipment leaks of VOC

Hi Christian and Bradley:

Below I've summarized your question and provide EPA's response. Let me know if you have any questions

Question:

CDPHE indicated that they are addressing a permitting action where a gas plant is subject to both NSPS KKK and NSPS OOOO and that the operator is requesting to electively comply with requirements of NSPS OOOO for both processing trains (to avoid the complexities of monitoring and reporting per two separate standards). CDPHE indicated that since NSPS OOOO contains more stringent requirements, it would seem like an acceptable request. However, CDPHE also recognized that since this "elective compliance with OOOO" is not explicitly allowed in the rule (NSPS KKK), and questioned whether the operator had to apply to EPA to use OOOO as an "alternative means of emission limitation" for the components subject to KKK (per § 60.632(c)). CDPHE also asked if there was a more streamlined approach to allow for compliance with OOOO in place of KKK for equipment leak standards. Additionally, CDPHE also indicated that they were hoping for a broader pronouncement by EPA stating that NSPS OOOO/OOOOa would be at least as stringent as every requirement of NSPS KKK, so that instead of petitioning the EPA for every permit where an operator would prefer to follow NSPS OOOO in order to not have mixed applicability of NSPS KKK for older parts of their fugitives and NSPS OOOO for newer parts, that there could be a streamlined process of simply allowing the operator to meet the more stringent rule.

Response:

CDPHE is correct that Subpart KKK does not contain any provisions that state an owner or operator may choose to comply with the provisions of Subpart OOOO to satisfy the requirements of Subpart KKK. Unfortunately, at this point there is not a streamlined approach to address this issue. If a facility wants to remove Subpart KKK applicability from its permit and replace it with Subpart OOOO applicability, the facility would need to petition the EPA for an alternative means of emissions limitation (AMEL) to comply with Subpart OOOO in lieu of Subpart KKK. The EPA would need to do notice and comment rulemaking on each source specific AMEL. Once the alternative is approved, Subpart OOOO would become the applicable requirement for the affected facilities that were previously subject to Subpart KKK and only Subpart OOOO would be identified in the permit.

Alternatively, the permit could be written indicating that the source is subject to Subpart KKK. The facility could monitor the Subpart KKK components at the Subpart OOOO leak levels, and when certifying compliance with the Subpart KKK requirements they can indicate that they've monitored compliance with Subpart KKK using Subpart OOOO leak levels and conducted all required actions for leaks above the Subpart OOOO levels (e.g., repairs, additional monitoring, tagging, recordkeeping, reporting etc.).

CDPHE should note that the Subpart OOOO compressor requirements are different than the Subpart KKK compressor requirements. For example, Subpart KKK only applies to compressors in VOC service or in wet gas service and reciprocating compressors in wet gas service are exempt from Subpart KKK control requirements. Subpart OOOO applies to centrifugal compressors using wet seals and reciprocating compressors. The standards are also different. Therefore, if using the second option, above, the source would comply with the subpart KKK requirements for compressors.

Note that Region 8 has coordinated with HQ staff to respond to your inquiry.

Laurie Ostrand

U.S. EPA Region 8

Mail Code 8ENF-AT

1595 Wynkoop Street

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303-312-6437

From: North, Alexis

Sent: Monday, February 13, 2017 12:02 PM

To: Ostrand, Laurie <Ostrand.Laurie@epa.gov>

Subject: FW: Voluntary Compliance with NSPS OOOO for equipment leaks of VOC

Hi Laurie,

I think you are all over this, who are you working with and I'll let Christian know.

Thanks,

Alex

Alexis North, Environmental Scientist

Office of Enforcement, Compliance & Environmental Justice

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Phone: (303) 312-7005

Email: north.alexis@epa.gov <mailto:north.alexis@epa.gov>

From: Lesniak - CDPHE, Christian [mailto:christian.lesniak@state.co.us]

Sent: Tuesday, February 07, 2017 2:23 PM

To: North, Alexis <North.Alexis@epa.gov>

Cc: Eades - CDPHE, Bradley <bradley.eades@state.co.us>

Subject: Re: Voluntary Compliance with NSPS OOOO for equipment leaks of VOC

Hi Alexis,

I was wondering if you had gotten a chance to address this and if you had an answer?

Thanks,

Christian

On Fri, Dec 16, 2016 at 1:17 PM, Lesniak - CDPHE, Christian  
<christian.lesniak@state.co.us> wrote:

Hi Alexis,

That looks great. Thanks so much for digging into this. To follow up on my end, I haven't gotten any comments from my supervisors, so I think what you are describing makes perfect sense. If you need any support from me or Brad, please let us know.

Thanks,

Christian

On Fri, Dec 16, 2016 at 12:34 PM, North, Alexis <North.Alexis@epa.gov> wrote:

Bradley and Christian,

Getting my story straight to talk to HQ next week regarding this request. In digging through the NSPS OOOO response to comments document ([click here](#)), I only found one loosely connected Q/A, see below.

Also, throughout the RTC document (see page 12 for the first appearance) it's made crystal clear the NSPS OOOO/VVa LDAR program is superior to the NSPS KKK/VV LDAR program (39% emission redux with VV compared to 43% redux with VVa).

I'm hoping to point to this document as a basis for our response back to you IF I can talk HQ into a broader proclamation.

Thanks and have a great weekend,

Alex

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RTC- page 52

Comment: One commenter (4240) states that while the EPA proposes to require all new gas processing plants to comply with the enhanced leak detection standards of subpart VVa, existing plants will continue to be bound by the more relaxed standards of subpart VV. The commenter states that the EPA estimates there are 577 existing plants operating in the U.S. today. The commenter states that applying the annual emission reductions from implementing a subpart VVa LDAR program to individual gas plants estimated in Table 8-13 of the TSD, extending the subpart VVa requirements to existing sources would result in an additional reduction of 7,790 tons of VOCs from the atmosphere. The commenter indicates that the EPA must apply this more effective and less expensive, standard to existing processing plants immediately. The commenter asserts that no technical or

logistical efforts appear to require a long phase-in period, though some need to hire or train sufficient workers may delay phase-in somewhat. The commenter states that even assuming some phase-in period, operators and the public can benefit from enhanced leak control as soon as the EPA extends these standards to existing sources.

Response: Section 111(b) of the CAA requires that the EPA establish NSPS for new sources in a listed source category. Section 111(a) defines new sources to include sources that undergo modification. Thus, the EPA does not have the authority under section 111(b) to extend the rule to existing sources. Due to the section 111(a) modification and reconstruction provisions, however, existing sources may become subject to the rule when modified or reconstructed.

Alexis North, Environmental Scientist

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Email: north.alexis@epa.gov <mailto:north.alexis@epa.gov>

From: Lesniak - CDPHE, Christian [mailto:christian.lesniak@state.co.us]

Sent: Tuesday, December 13, 2016 12:10 PM

To: North, Alexis <North.Alexis@epa.gov>

Cc: Eades - CDPHE, Bradley <bradley.eades@state.co.us>

Subject: Re: Voluntary Compliance with NSPS OOOO for equipment leaks of VOC

Hi Alexis,

I agree with what you are proposing. I am specifically hoping to include the entirety of §60.632(c) in Subpart KKK that Brad quoted in his first email, and explaining that compliance with either NSPS OOOO or NSPS OOOOa, depending the facility start date and applicable rule will meet that section. Let me forward this around to some people in our department, and see if they have any specific language that they feel would be most helpful, and I will follow up with you by the end of the week.

Thanks,

Christian

On Tue, Dec 13, 2016 at 7:57 AM, North, Alexis <North.Alexis@epa.gov> wrote:

Good Morning,

I'm not ignoring this.

I'd like to bring it up during a national call next week so hang on.

Christian, what do you envision for a broader pronouncement? I was thinking of a letter from Region 8 to CDPHE with the KKK and OOOO leak detection requirements laid out and a statement that compliance with OOOO is clearly compliance with KKK?

Thoughts?

Thanks,

Alex

Alexis North, Environmental Scientist

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Email: north.alexis@epa.gov <mailto:north.alexis@epa.gov>

From: Lesniak - CDPHE, Christian [mailto:christian.lesniak@state.co.us]

Sent: Thursday, December 08, 2016 1:53 PM

To: North, Alexis <North.Alexis@epa.gov>

Cc: Eades - CDPHE, Bradley <bradley.eades@state.co.us>

Subject: Re: Voluntary Compliance with NSPS OOOO for equipment leaks of VOC

Hi Alexis,

Brad is out on training today, but I'm curious about this as well, and appreciate you looking into this. I was hoping that we could get a sort of broader pronouncement stating that NSPS OOOO/OOOOa would be at least as stringent as every requirement of NSPS KKK, so that instead of petitioning the EPA for every permit where an operator

would prefer to follow NSPS 0000 in order to not have mixed applicability of NSPS KKK for older parts of their fugitives and NSPS 0000 for newer parts, that we could have a streamlined process of simply allowing the operator to meet the more stringent rule. I don't know if that sort of broader decision is possible, but hopefully it would reduce the amount of work either of our agencies would have to do in these situations. Again, thanks for looking into this.

Thanks,

Christian

On Thu, Dec 8, 2016 at 1:44 PM, North, Alexis <North.Alexis@epa.gov> wrote:

Hi Brad,

I'm working on this but my NSPS 0000 folks are scattered to the winds. I'll try and get you early next week.

Thanks,

Alex

Alexis North, Environmental Scientist

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Email: north.alexis@epa.gov <mailto:north.alexis@epa.gov>

From: Eades - CDPHE, Bradley [mailto:bradley.eades@state.co.us]

Sent: Monday, December 05, 2016 11:53 AM

To: North, Alexis <North.Alexis@epa.gov>

Cc: Christian Lesniak <christian.lesniak@state.co.us>

Subject: Re: Voluntary Compliance with NSPS 0000 for equipment leaks of VOC

Ms. North,

As a quick follow-up question to my previous inquiry, can you also clarify any differing guidance (if any) that would apply to voluntary compliance with NSPS 0000a at newer sites?

Thanks again,

Brad

On Mon, Dec 5, 2016 at 11:36 AM, Eades - CDPHE, Bradley <bradley.eades@state.co.us> wrote:

Ms. North,

I am a permitting engineer for the Colorado Air Pollution Control Division. I am currently working on a permit application for equipment leaks of VOC at a natural gas processing plant. The plant contains two separate gas processing trains, the older of which is subject to NSPS KKK. Since the newer processing train is subject to NSPS 0000, the operator is requesting to electively comply with requirements of NSPS 0000 for both processing trains (to avoid the complexities of monitoring and reporting per two separate standards).

According to §60.632(c) in Subpart KKK: "an owner or operator may apply to the Administrator for permission to use an alternative means of emission limitation that achieves a reduction in emissions of VOC at least equivalent to that achieved by the controls required in this subpart. In doing so, the owner or operator shall comply with requirements of §60.634 of this subpart." §60.634 goes on to provide requirements for publishing of the administrator's judgment.

Since NSPS 0000 contains more stringent requirements, this seems like an acceptable request. However, since this "elective compliance with 0000" is not explicitly allowed in the rule (NSPS KKK), I am more inclined to require this operator to apply to EPA to use 0000 as an "alternative means of emission limitation" for the components subject to KKK.

Is it EPA's expectation that the operator would apply per §60.632(c) as referenced above, or is there a more streamlined approach that we could use at the State level to allow for compliance with 0000 in place of KKK for equipment leak standards?

If you require further information please let me know. I can be reached by email, or at 303-692-3142. Thanks in advance for your help.

Regards,

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Bradley Eades

Oil & Gas Permitting Engineer

Stationary Sources Program

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NOTE: As of January 1, 2014, the Colorado Air Pollution Control Division no longer accepts blank or incomplete APENs. Additional fees may apply if an APEN is submitted without the necessary information. An application with missing information may result in longer processing times. Please note that all APEN submissions should be completed using forms currently supplied by the Division (See Reg. 3, Part A, Section II.A). If you need assistance, please refer to: <https://www.colorado.gov/cdphe/APENforms>  
<<https://www.colorado.gov/cdphe/APENforms>> .

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